

AMENDED IN SENATE SEPTEMBER 4, 2009

AMENDED IN ASSEMBLY APRIL 23, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

## ASSEMBLY BILL

No. 1568

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Introduced by ~~Committee on Veterans Affairs (Salas (Chair), Cook (Vice Chair), Huber, Lieu, V. Manuel Perez, Saldana, and Yamada)~~ Assembly Member Salas

March 16, 2009

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An act to amend Section 14124.11 of the Welfare and Institutions Code, relating to veterans. *An act to amend Sections 218, 17207, and 24347.5 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.*

### LEGISLATIVE COUNSEL'S DIGEST

AB 1568, as amended, ~~Committee on Veterans Affairs~~ Salas. ~~Veterans: benefits.~~ *Property taxation: disaster relief.*

(1) Existing property tax law provides, pursuant to a specified provision of the California Constitution, for a homeowner's property tax exemption in the amount of \$7,000 of the full value of a "dwelling," as defined.

This bill would also provide that any dwelling that qualified for the exemption prior to the commencement dates of the wildfires that were the subject of the Governor's proclamations in October 2008, November 2008, and May 2009, that was damaged or destroyed by the wildfires in the Counties of Los Angeles, Orange, Riverside, San Bernardino, Ventura, and Santa Barbara, and that has not changed ownership since the commencement date of those wildfires, may not be denied the exemption solely on the basis that the dwelling was temporarily damaged

*or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to wildfires.*

*The California Constitution requires the Legislature, in each fiscal year, to reimburse local governments for the revenue losses incurred by those governments in that fiscal year as a result of the homeowners' property tax exemption.*

*This bill would state the intent of the Legislature to make this required reimbursement in the annual Budget Act. By requiring local tax officials to implement new exemption criteria, this bill would impose a state-mandated local program.*

*The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.*

*(2) The Personal Income Tax Law and the Corporation Tax Law provide for the carryover to specified taxable years of specified losses sustained as a result of certain disasters occurring in California in an area determined by the President of the United States to warrant specified federal assistance, or proclaimed by the Governor to be in a state of emergency.*

*This bill would extend these provisions to losses sustained in the Counties of Los Angeles, Orange, Riverside, San Bernardino, Ventura, and Santa Barbara as a result of the wildfires that commenced in October 2008, November 2008, or May 2009. This bill would authorize a taxpayer to make an election to claim a deduction for those losses on the tax return for the preceding year.*

*(3) This bill would take effect immediately as a tax levy.*

~~Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services, under which basic health care services are provided to qualified low-income persons. Existing law requires the department, by July 1, 2009, to establish a 2-year pilot program to utilize the federal Public Assistance Reporting Information System (PARIS) to identify veterans and their dependents or survivors who are enrolled in the Medi-Cal program and assist them in obtaining federal veteran health care benefits, and to select 3 consenting counties~~

that have in operation a United States Department of Veterans Affairs (USDVA) medical center to participate in the pilot program.

~~This bill would delete references to the 2-year pilot program and, instead, require the department, by July 1, 2010, to implement a program to utilize the federal PARIS to identify veterans and their dependents or survivors who are enrolled in the Medi-Cal system and assist them in obtaining federal veteran health care benefits. The bill would eliminate the requirement that the department select 3 consenting counties that have USDVA medical centers to participate in the program.~~

~~Because the bill would impose increased duties upon county veterans services officers, this bill would create a state-mandated local program.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 218 of the Revenue and Taxation Code  
2     is amended to read:

3     218. (a) The homeowners' property tax exemption is in the  
4     amount of the assessed value of the dwelling specified in this  
5     section, as authorized by subdivision (k) of Section 3 of Article  
6     XIII of the *California* Constitution. That exemption shall be in the  
7     amount of seven thousand dollars (\$7,000) of the full value of the  
8     dwelling.

9     (b) The exemption does not extend to property that is rented,  
10    vacant, under construction on the lien date, or that is a vacation or  
11    secondary home of the owner or owners, nor does it apply to  
12    property on which an owner receives the veteran's exemption.

13    (c) For purposes of this section, all of the following apply:

14    (1) "Owner" includes a person purchasing the dwelling under  
15    a contract of sale or who holds shares or membership in a  
16    cooperative housing corporation, which holding is a requisite to  
17    the exclusive right of occupancy of a dwelling.

(2) (A) “Dwelling” means a building, structure, or other shelter constituting a place of abode, whether real property or personal property, and any land on which it may be situated. A two-dwelling unit shall be considered as two separate single-family dwellings.

(B) “Dwelling” includes the following:

(i) A single-family dwelling occupied by an owner thereof as his or her principal place of residence on the lien date.

(ii) A multiple-dwelling unit occupied by an owner thereof on the lien date as his or her principal place of residence.

(iii) A condominium occupied by an owner thereof as his or her principal place of residence on the lien date.

(iv) Premises occupied by the owner of shares or a membership interest in a cooperative housing corporation, as defined in subdivision (i) of Section 61, as his or her principal place of residence on the lien date. Each exemption allowed pursuant to this subdivision shall be deducted from the total assessed valuation of the cooperative housing corporation. The exemption shall be taken into account in apportioning property taxes among owners of share or membership interests in the cooperative housing corporations so as to benefit those owners who qualify for the exemption.

(d) Any dwelling that qualified for an exemption under this section prior to October 20, 1991, that was damaged or destroyed by fire in a disaster, as declared by the Governor, occurring on or after October 20, 1991, and before November 1, 1991, and that has not changed ownership since October 20, 1991, shall not be disqualified as a “dwelling” or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner.

(e) Any dwelling that qualified for an exemption under this section prior to October 15, 2003, that was damaged or destroyed by fire or earthquake in a disaster, as declared by the Governor, during October, November, or December 2003, and that has not changed ownership since October 15, 2003, shall not be disqualified as a “dwelling” or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner.

(f) Any dwelling that qualified for an exemption under this section prior to June 3, 2004, that was damaged or destroyed by flood in a disaster, as declared by the Governor, during June 2004,

1 and that has not changed ownership since June 3, 2004, shall not  
2 be disqualified as a “dwelling” or be denied an exemption under  
3 this section solely on the basis that the dwelling was temporarily  
4 damaged or destroyed or was being reconstructed by the owner.

5 (g) Any dwelling that qualified for an exemption under this  
6 section prior to August 11, 2004, that was damaged or destroyed  
7 by the wildfires and any other related casualty that occurred in  
8 Shasta County in a disaster, as declared by the Governor, during  
9 August 2004, and that has not changed ownership since August  
10 11, 2004, shall not be disqualified as a “dwelling” or be denied an  
11 exemption under this section solely on the basis that the dwelling  
12 was temporarily damaged or destroyed or was being reconstructed  
13 by the owner.

14 (h) Any dwelling that qualified for an exemption under this  
15 section prior to December 28, 2004, that was damaged or destroyed  
16 by severe rainstorms, floods, mudslides, or the accumulation of  
17 debris in a disaster, as declared by the Governor, during December  
18 2004, January 2005, February 2005, March 2005, or June 2005,  
19 and that has not changed ownership since December 28, 2004,  
20 shall not be disqualified as a “dwelling” or be denied an exemption  
21 under this section solely on the basis that the dwelling was  
22 temporarily damaged or destroyed or was being reconstructed by  
23 the owner, or was temporarily uninhabited as a result of restricted  
24 access to the property due to floods, mudslides, the accumulation  
25 of debris, or washed-out or damaged roads.

26 (i) Any dwelling that qualified for an exemption under this  
27 section prior to December 19, 2005, that was damaged or destroyed  
28 by severe rainstorms, floods, mudslides, or the accumulation of  
29 debris in a disaster, as declared by the Governor in January 2006,  
30 April 2006, May 2006, or June 2006, and that has not changed  
31 ownership since December 19, 2005, shall not be disqualified as  
32 a “dwelling” or be denied an exemption under this section solely  
33 on the basis that the dwelling was temporarily damaged or  
34 destroyed or was being reconstructed by the owner, or was  
35 temporarily uninhabited as a result of restricted access to the  
36 property due to floods, mudslides, the accumulation of debris, or  
37 washed-out or damaged roads.

38 (j) Any dwelling that qualified for an exemption under this  
39 section prior to July 9, 2006, that was damaged or destroyed by  
40 the wildfires and any other related casualty that occurred in the

1 County of San Bernardino, as declared by the Governor in July  
2 2006, and that has not changed ownership since July 9, 2006, shall  
3 not be disqualified as a “dwelling” or be denied an exemption  
4 under this section solely on the basis that the dwelling was  
5 temporarily damaged or destroyed or was being reconstructed by  
6 the owner, or was temporarily uninhabited as a result of restricted  
7 access to the property due to the wildfires.

8 (k) Any dwelling that qualified for an exemption under this  
9 section prior to the commencement dates of the wildfires listed in  
10 the Governor’s proclamations of 2006 that was damaged or  
11 destroyed by the wildfires and any other related casualty that  
12 occurred in the Counties of Riverside and Ventura, and that has  
13 not changed ownership since the commencement dates of these  
14 disasters as listed in the Governor’s proclamations of 2006 shall  
15 not be disqualified as a “dwelling” or be denied an exemption  
16 under this section solely on the basis that the dwelling was  
17 temporarily damaged or destroyed or was being reconstructed by  
18 the owner, or was temporarily uninhabited as a result of restricted  
19 access to the property due to the wildfires.

20 (l) Any dwelling that qualified for an exemption under this  
21 section prior to January 11, 2007, that was damaged or destroyed  
22 by severe freezing conditions, commencing January 11, 2007, and  
23 any other related casualty that occurred in the Counties of El  
24 Dorado, Fresno, Imperial, Kern, Kings, Madera, Merced, Monterey,  
25 Riverside, San Bernardino, San Diego, San Luis Obispo, Santa  
26 Barbara, Santa Clara, Stanislaus, Tulare, Ventura, and Yuba as a  
27 result of a disaster as declared by the Governor, and that has not  
28 changed ownership since January 11, 2007, shall not be disqualified  
29 as a “dwelling” or be denied an exemption under this section solely  
30 on the basis that the dwelling was temporarily damaged or  
31 destroyed or was being reconstructed by the owner, or was  
32 temporarily uninhabited as a result of restricted access to the  
33 property due to severe freezing conditions.

34 (m) Any dwelling that qualified for an exemption under this  
35 section prior to June 24, 2007, that was damaged or destroyed by  
36 the wildfires and any other related casualty that occurred as a result  
37 of this disaster in the County of El Dorado, as declared by the  
38 Governor in June 2007, and that has not changed ownership since  
39 June 24, 2007, shall not be disqualified as a “dwelling” or be denied  
40 an exemption under this section solely on the basis that the

1 dwelling was temporarily damaged or destroyed or was being  
2 reconstructed by the owner, or was temporarily uninhabited as a  
3 result of restricted access to the property due to the wildfires.

4 (n) Any dwelling that qualified for an exemption under this  
5 section prior to July 4, 2007, that was damaged or destroyed by  
6 the Zaca Fire and any other related casualty that occurred as a  
7 result of this disaster in the Counties of Santa Barbara and Ventura,  
8 as declared by the Governor in August 2007, and that has not  
9 changed ownership since July 4, 2007, may not be denied an  
10 exemption solely on the basis that the dwelling was temporarily  
11 damaged or destroyed or was being reconstructed by the owner,  
12 or was temporarily uninhabited as a result of restricted access to  
13 the property due to the Zaca Fire.

14 (o) Any dwelling that qualified for an exemption under this  
15 section prior to July 6, 2007, that was damaged or destroyed by  
16 the wildfires and any other related casualty that occurred as a result  
17 of this disaster in the County of Inyo, as declared by the Governor  
18 in July 2007, and that has not changed ownership since July 6,  
19 2007, may not be denied an exemption solely on the basis that the  
20 dwelling was temporarily damaged or destroyed or was being  
21 reconstructed by the owner, or was temporarily uninhabited as a  
22 result of restricted access to the property due to the wildfires.

23 (p) Any dwelling that qualified for an exemption under this  
24 section prior to the commencement dates of the wildfires listed in  
25 the Governor's disaster proclamations of September 15, 2007, and  
26 October 21, 2007, that was damaged or destroyed by the wildfires  
27 and any other related casualty that occurred in the Counties of Los  
28 Angeles, Orange, Riverside, San Bernardino, San Diego, Santa  
29 Barbara, and Ventura, and that has not changed ownership since  
30 the commencement dates of these disasters as listed in the  
31 proclamations shall not be disqualified as a "dwelling" or be denied  
32 an exemption under this section solely on the basis that the  
33 dwelling was temporarily damaged or destroyed or was being  
34 reconstructed by the owner, or was temporarily uninhabited as a  
35 result of restricted access to the property due to the wildfires.

36 (q) Any dwelling that qualified for an exemption under this  
37 section prior to October 20, 2007, that was damaged or destroyed  
38 by the extremely strong and damaging winds and any other related  
39 casualty that occurred as a result of this disaster in the County of  
40 Riverside, as declared by the Governor in November 2007, and

1 that has not changed ownership since October 20, 2007, shall not  
2 be disqualified as a “dwelling” or be denied an exemption under  
3 this section solely on the basis that the dwelling was temporarily  
4 damaged or destroyed or was being reconstructed by the owner,  
5 or was temporarily uninhabited as a result of restricted access to  
6 the property due to the extremely strong and damaging winds.

7 (r) Any dwelling that qualified for an exemption under this  
8 section prior to the commencement dates of the wildfires listed in  
9 the Governor’s disaster proclamations of May, June, or July 2008,  
10 that was damaged or destroyed by the wildfires and any other  
11 related casualty that occurred in the Counties of Butte, Kern,  
12 Mariposa, Mendocino, Monterey, Plumas, Santa Clara, Santa Cruz,  
13 Shasta, and Trinity and that has not changed ownership since the  
14 commencement dates of these disasters as listed in the  
15 proclamations shall not be disqualified as a “dwelling” or be denied  
16 an exemption under this section solely on the basis that the  
17 dwelling was temporarily damaged or destroyed or was being  
18 reconstructed by the owner, or was temporarily uninhabited as a  
19 result of restricted access to the property due to the wildfires.

20 (s) Any dwelling that qualified for an exemption under this  
21 section prior to July 1, 2008, that was damaged or destroyed by  
22 the wildfires and any other related casualty that occurred as a result  
23 of this disaster in the County of Santa Barbara, as declared by the  
24 Governor in July 2008, and that has not changed ownership since  
25 July 1, 2008, may not be denied an exemption solely on the basis  
26 that the dwelling was temporarily damaged or destroyed or was  
27 being reconstructed by the owner, or was temporarily uninhabited  
28 as a result of restricted access to the property due to the wildfires.

29 (t) Any dwelling that qualified for an exemption under this  
30 section prior to July 12, 2008, that was damaged or destroyed by  
31 severe rainstorms, floods, landslides, or the accumulation of debris  
32 in a disaster, as declared by the Governor, in July 2008, and that  
33 has not changed ownership since July 12, 2008, shall not be  
34 disqualified as a “dwelling” or be denied an exemption under this  
35 section solely on the basis that the dwelling was temporarily  
36 damaged or destroyed or was being reconstructed by the owner,  
37 or was temporarily uninhabited as a result of restricted access to  
38 the property due to floods, landslides, the accumulation of debris,  
39 or washed-out or damaged roads.



(u) Any dwelling that qualified for an exemption under this section prior to May 22, 2008, that was damaged or destroyed by the wildfires and any other related casualty that occurred as a result of this disaster in the County of Humboldt, as declared by the Governor in August 2008, and that has not changed ownership since May 22, 2008, may not be denied an exemption solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.

(v) *Any dwelling that qualified for an exemption under this section prior to the commencement dates of the wildfires that were the subject of the Governor's disaster proclamations of October 13, 2008, and November 15, 2008, that was damaged or destroyed by the wildfires and any other related casualty that occurred in the Counties of Los Angeles and Ventura and that has not changed ownership since the commencement dates of these wildfires, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.*

(w) *Any dwelling that qualified for an exemption under this section prior to November 13, 2008, that was damaged or destroyed by the wildfires and any other related casualty that occurred as a result of this disaster in the County of Santa Barbara, as declared by the Governor in November 2008, and that has not changed ownership since November 13, 2008, shall not be disqualified as a "dwelling" or be denied an exemption under this section solely on the basis that the dwelling was temporarily damaged or destroyed or was being reconstructed by the owner, or was temporarily uninhabited as a result of restricted access to the property due to the wildfires.*

(x) *Any dwelling that qualified for an exemption under this section prior to the commencement dates of the wildfires listed in the Governor's disaster proclamations of November 15, 2008, and November 17, 2008, that was damaged or destroyed by the wildfires and any other related casualty that occurred as a result of this disaster in the Counties of Orange, Riverside, and San Bernardino, as declared by the Governor in November 2008, and*

1 *that has not changed ownership since the commencement dates of*  
2 *these disasters as listed in the proclamations, shall not be*  
3 *disqualified as a “dwelling” or be denied an exemption under this*  
4 *section solely on the basis that the dwelling was temporarily*  
5 *damaged or destroyed or was being reconstructed by the owner;*  
6 *or was temporarily uninhabited as a result of restricted access to*  
7 *the property due to the wildfires.*

8 *(y) Any dwelling that qualified for an exemption under this*  
9 *section prior to May 5, 2009, that was damaged or destroyed by*  
10 *the wildfires and any other related casualty that occurred as a*  
11 *result of this disaster in the County of Santa Barbara, as declared*  
12 *by the Governor in May 2009, and that has not changed ownership*  
13 *since May 5, 2009, shall not be disqualified as a “dwelling” or*  
14 *be denied an exemption under this section solely on the basis that*  
15 *the dwelling was temporarily damaged or destroyed or was being*  
16 *reconstructed by the owner, or was temporarily uninhabited as a*  
17 *result of restricted access to the property due to the wildfires.*

18 ~~(v)~~

19 *(z) The exemption provided for in subdivision (k) of Section 3*  
20 *of Article XIII of the California Constitution shall first be applied*  
21 *to the building, structure, or other shelter and the excess, if any,*  
22 *shall be applied to any land on which it may be located.*

23 *SEC. 2. Section 17207 of the Revenue and Taxation Code is*  
24 *amended to read:*

25 *17207. (a) An excess disaster loss, as defined in subdivision*  
26 *(c), shall be carried to other taxable years as provided in*  
27 *subdivision (b), with respect to losses resulting from any of the*  
28 *following disasters:*

29 *(1) Forest fire or any other related casualty occurring in 1985*  
30 *in California.*

31 *(2) Storm, flooding, or any other related casualty occurring in*  
32 *1986 in California.*

33 *(3) Any loss sustained during 1987 as a result of a forest fire or*  
34 *any other related casualty.*

35 *(4) Earthquake, aftershock, or any other related casualty*  
36 *occurring in 1987 in California.*

37 *(5) Earthquake, aftershock, or any other related casualty*  
38 *occurring in 1989 in California.*

39 *(6) Any loss sustained during 1990 as a result of fire or any*  
40 *other related casualty in California.*

1 (7) Any loss sustained as a result of the Oakland/Berkeley Fire  
2 of 1991, or any other related casualty.

3 (8) Any loss sustained as a result of storm, flooding, or any  
4 other related casualty occurring in February 1992 in California.

5 (9) Earthquake, aftershock, or any other related casualty  
6 occurring in April 1992 in the County of Humboldt.

7 (10) Riots, arson, or any other related casualty occurring in  
8 April or May 1992 in California.

9 (11) Any loss sustained as a result of the earthquakes that  
10 occurred in the County of San Bernardino in June and July of 1992,  
11 or any other related casualty.

12 (12) Any loss sustained as a result of the Fountain Fire that  
13 occurred in the County of Shasta, or as a result of either of the  
14 fires in the Counties of Calaveras and Trinity that occurred in  
15 August 1992, or any other related casualty.

16 (13) Any loss sustained as a result of storm, flooding, or any  
17 other related casualty that occurred in the Counties of Alpine,  
18 Contra Costa, Fresno, Humboldt, Imperial, Lassen, Los Angeles,  
19 Madera, Mendocino, Modoc, Monterey, Napa, Orange, Plumas,  
20 Riverside, San Bernardino, San Diego, Santa Barbara, Sierra,  
21 Siskiyou, Sonoma, Tehama, Trinity, and Tulare, and the City of  
22 Fillmore in January 1993.

23 (14) Any loss sustained as a result of a fire that occurred in the  
24 Counties of Los Angeles, Orange, Riverside, San Bernardino, San  
25 Diego, and Ventura, during October or November of 1993, or any  
26 other related casualty.

27 (15) Any loss sustained as a result of the earthquake, aftershocks,  
28 or any other related casualty that occurred in the Counties of Los  
29 Angeles, Orange, and Ventura on or after January 17, 1994.

30 (16) Any loss sustained as a result of a fire that occurred in the  
31 County of San Luis Obispo during August of 1994, or any other  
32 related casualty.

33 (17) Any loss sustained as a result of the storms or flooding  
34 occurring in 1995, or any other related casualty, sustained in any  
35 county of this state subject to a disaster declaration with respect  
36 to the storms and flooding.

37 (18) Any loss sustained as a result of the storms or flooding  
38 occurring in December 1996 or January 1997, or any related  
39 casualty, sustained in any county of this state subject to a disaster  
40 declaration with respect to the storms or flooding.

1 (19) Any loss sustained as a result of the storms or flooding  
2 occurring in February 1998, or any related casualty, sustained in  
3 any county of this state subject to a disaster declaration with respect  
4 to the storms or flooding.

5 (20) Any loss sustained as a result of a freeze occurring in the  
6 winter of 1998–99, or any related casualty, sustained in any county  
7 of this state subject to a disaster declaration with respect to the  
8 freeze.

9 (21) Any loss sustained as a result of an earthquake occurring  
10 in September 2000, that was included in the Governor's  
11 proclamation of a state of emergency for the County of Napa.

12 (22) Any loss sustained as a result of the Middle River levee  
13 break in San Joaquin County occurring in June 2004.

14 (23) Any losses sustained as a result of the fires that occurred  
15 in the Counties of Los Angeles, Riverside, San Bernardino, San  
16 Diego, and Ventura in October and November 2003, or as a result  
17 of floods, mudflows, and debris flows, directly related to fires.

18 (24) Any losses sustained in the Counties of Santa Barbara and  
19 San Luis Obispo as a result of the San Simeon earthquake,  
20 aftershocks, and any other related casualties.

21 (25) Any losses sustained as a result of the wildfires that  
22 occurred in Shasta County, commencing August 11, 2004, and  
23 any other related casualty.

24 (26) Any loss sustained in the Counties of Kern, Los Angeles,  
25 Orange, Riverside, San Bernardino, San Diego, Santa Barbara,  
26 and Ventura as a result of the severe rainstorms, related flooding  
27 and slides, and any other related casualties, that occurred in  
28 December 2004, January 2005, February 2005, March 2005, or  
29 June 2005.

30 (27) Any loss sustained in the Counties of Alameda, Alpine,  
31 Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El  
32 Dorado, Fresno, Humboldt, Kings, Lake, Lassen, Madera, Marin,  
33 Mariposa, Mendocino, Merced, Monterey, Napa, Nevada, Placer,  
34 Plumas, Sacramento, San Joaquin, San Luis Obispo, San Mateo,  
35 Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus,  
36 Sutter, Trinity, Tulare, Tuolumne, Yolo, and Yuba as a result of  
37 the severe rainstorms, related flooding and slides, and any other  
38 related casualties, that occurred in December 2005, January 2006,  
39 March 2006, or April 2006.

1 (28) Any loss sustained in the County of San Bernardino as a  
2 result of the wildfires that occurred in July 2006.

3 (29) Any loss sustained in the Counties of Riverside and Ventura  
4 as a result of wildfires that occurred during the 2006 calendar year.

5 (30) Any loss sustained in the Counties of El Dorado, Fresno,  
6 Imperial, Kern, Kings, Madera, Merced, Monterey, Riverside, San  
7 Bernardino, San Diego, San Luis Obispo, Santa Barbara, Santa  
8 Clara, Stanislaus, Tulare, Ventura, and Yuba that were the subject  
9 of the Governor's proclamations of a state of emergency for the  
10 severe freezing conditions that occurred in January 2007.

11 (31) Any loss sustained in the County of El Dorado as a result  
12 of wildfires that occurred in June 2007.

13 (32) Any loss sustained in the Counties of Santa Barbara and  
14 Ventura as a result of the Zaca Fire that occurred during the 2007  
15 calendar year.

16 (33) Any loss sustained in the County of Inyo as a result of  
17 wildfires that commenced in July 2007.

18 (34) Any loss sustained in the Counties of Los Angeles, Orange,  
19 Riverside, San Bernardino, San Diego, Santa Barbara, and Ventura  
20 as a result of wildfires that occurred during the 2007 calendar year  
21 that were the subject of the Governor's disaster proclamations of  
22 September 15, 2007, and October 21, 2007.

23 (35) Any loss sustained in the County of Riverside as a result  
24 of extremely strong and damaging winds that occurred in October  
25 2007.

26 (36) Any loss sustained in the Counties of Butte, Kern,  
27 Mariposa, Mendocino, Monterey, Plumas, Santa Clara, Santa Cruz,  
28 Shasta, and Trinity as a result of wildfires that occurred in May or  
29 June 2008 that were the subject of the Governor's proclamations  
30 of a state of emergency.

31 (37) Any loss sustained in the County of Santa Barbara as a  
32 result of wildfires that occurred in July 2008.

33 (38) Any loss sustained in the County of Inyo as a result of the  
34 severe rainstorms, related flooding and landslides, and any other  
35 related casualties, that occurred in July 2008.

36 (39) Any loss sustained in the County of Humboldt as a result  
37 of wildfires that commenced in May 2008.

38 (40) *Any loss sustained in the County of Santa Barbara as a*  
39 *result of wildfires that commenced in November 2008.*

1     (41) Any loss sustained in the Counties of Los Angeles and  
2     Ventura as a result of wildfires that commenced in October 2008  
3     or November 2008 that were the subject of the Governor's  
4     proclamations of a state of emergency.

5     (42) Any loss sustained in the Counties of Orange, Riverside,  
6     and San Bernardino as a result of wildfires that commenced in  
7     November 2008.

8     (43) Any loss sustained in the County of Santa Barbara as a  
9     result of wildfires that commenced in May 2009.

10    (b) (1) In the case of any loss allowed under Section 165(c) of  
11    the Internal Revenue Code, relating to limitation of losses of  
12    individuals, any excess disaster loss shall be carried forward to  
13    each of the five taxable years following the taxable year for which  
14    the loss is claimed. However, if there is any excess disaster loss  
15    remaining after the five-year period, then the applicable percentage,  
16    as set forth in paragraph (1) of subdivision (b) of Section 17276,  
17    of that excess disaster loss shall be carried forward to each of the  
18    next 10 taxable years.

19    (2) The entire amount of any excess disaster loss as defined in  
20    subdivision (c) shall be carried to the earliest of the taxable years  
21    to which, by reason of subdivision (b), the loss may be carried.  
22    The portion of the loss which shall be carried to each of the other  
23    taxable years shall be the excess, if any, of the amount of excess  
24    disaster loss over the sum of the adjusted taxable income for each  
25    of the prior taxable years to which that excess disaster loss is  
26    carried.

27    (c) "Excess disaster loss" means a disaster loss computed  
28    pursuant to Section 165 of the Internal Revenue Code which  
29    exceeds the adjusted taxable income of the year of loss or, if the  
30    election under Section 165(i) of the Internal Revenue Code is  
31    made, the adjusted taxable income of the year preceding the loss.

32    (d) The provisions of this section and Section 165(i) of the  
33    Internal Revenue Code shall be applicable to any of the losses  
34    listed in subdivision (a) sustained in any county or city in this state  
35    which was proclaimed by the Governor to be in a state of disaster.

36    (e) Losses allowable under this section may not be taken into  
37    account in computing a net operating loss deduction under Section  
38    172 of the Internal Revenue Code.

39    (f) For purposes of this section, "adjusted taxable income" shall  
40    be defined by Section 1212(b)(2)(B) of the Internal Revenue Code.

(g) For losses described in paragraphs (15) to ~~(39)~~ (43), inclusive, of subdivision (a), the election under Section 165(i) of the Internal Revenue Code may be made on a return or amended return filed on or before the due date of the return (determined with regard to extension) for the taxable year in which the disaster occurred.

*SEC. 3. Section 24347.5 of the Revenue and Taxation Code is amended to read:*

24347.5. (a) An excess disaster loss, as defined in subdivision (c), shall be carried to other taxable years as provided in subdivision (b), with respect to losses resulting from any of the following disasters:

(1) Forest fire or any other related casualty occurring in 1985 in California.

(2) Storm, flooding, or any other related casualty occurring in 1986 in California.

(3) Any loss sustained during 1987 as a result of a forest fire or any other related casualty.

(4) Earthquake, aftershock, or any other related casualty occurring in October 1987 in California.

(5) Earthquake, aftershock, or any other related casualty occurring in October 1989 in California.

(6) Any loss sustained during 1990 as a result of fire or any other related casualty in California.

(7) Any loss sustained as a result of the Oakland/Berkeley Fire of 1991, or any other related casualty.

(8) Any loss sustained as a result of storm, flooding, or any other related casualty occurring in February 1992 in California.

(9) Earthquake, aftershock, or any other related casualty occurring in April 1992 in the County of Humboldt.

(10) Riots, arson, or any other related casualty occurring in April or May 1992 in California.

(11) Any loss sustained as a result of the earthquakes or any other related casualty that occurred in the County of San Bernardino in June and July of 1992.

(12) Any loss sustained as a result of the Fountain Fire that occurred in the County of Shasta, or as a result of either of the fires in the Counties of Calaveras and Trinity that occurred in August 1992, or any other related casualty.

(13) Any loss sustained as a result of storm, flooding, or any other related casualty that occurred in the Counties of Alpine, Contra Costa, Fresno, Humboldt, Imperial, Lassen, Los Angeles, Madera, Mendocino, Modoc, Monterey, Napa, Orange, Plumas, Riverside, San Bernardino, San Diego, Santa Barbara, Sierra, Siskiyou, Sonoma, Tehama, Trinity, and Tulare, and the City of Fillmore in January 1993.

(14) Any loss sustained as a result of a fire that occurred in the Counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura, during October or November of 1993, or any other related casualty.

(15) Any loss sustained as a result of the earthquake, aftershocks, or any other related casualty that occurred in the Counties of Los Angeles, Orange, and Ventura on or after January 17, 1994.

(16) Any loss sustained as a result of a fire that occurred in the County of San Luis Obispo during August of 1994, or any other related casualty.

(17) Any loss sustained as a result of the storms or flooding occurring in 1995, or any other related casualty, sustained in any county of this state subject to a disaster declaration with respect to the storms and flooding.

(18) Any loss sustained as a result of the storms or flooding occurring in December 1996 or January 1997, or any related casualty, sustained in any county of this state subject to a disaster declaration with respect to the storms or flooding.

(19) Any loss sustained as a result of the storms or flooding occurring in February 1998, or any related casualty, sustained in any county of this state subject to a disaster declaration with respect to the storms or flooding.

(20) Any loss sustained as a result of a freeze occurring in the winter of 1998–99, or any related casualty, sustained in any county of this state subject to a disaster declaration with respect to the freeze.

(21) Any loss sustained as a result of an earthquake occurring in September 2000, that was included in the Governor's proclamation of a state of emergency for the County of Napa.

(22) Any loss sustained as a result of the Middle River levee break in San Joaquin County occurring in June 2004.

(23) Any losses sustained as a result of the fires that occurred in the Counties of Los Angeles, Riverside, San Bernardino, San



1 Diego, and Ventura in October and November 2003, or as a result  
2 of floods, mudflows, and debris flows, directly related to fires.

3 (24) Any losses sustained in the Counties of Santa Barbara and  
4 San Luis Obispo as a result of the San Simeon earthquake,  
5 aftershocks, and any other related casualties.

6 (25) Any losses sustained as a result of the wildfires that  
7 occurred in Shasta County, commencing August 11, 2004, and  
8 any other related casualty.

9 (26) Any loss sustained in the Counties of Kern, Los Angeles,  
10 Orange, Riverside, San Bernardino, San Diego, Santa Barbara,  
11 and Ventura as a result of the severe rainstorms, related flooding  
12 and slides, and any other related casualties, that occurred in  
13 December 2004, January 2005, February 2005, March 2005, or  
14 June 2005.

15 (27) Any loss sustained in the Counties of Alameda, Alpine,  
16 Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El  
17 Dorado, Fresno, Humboldt, Kings, Lake, Lassen, Madera, Marin,  
18 Mariposa, Mendocino, Merced, Monterey, Napa, Nevada, Placer,  
19 Plumas, Sacramento, San Joaquin, San Luis Obispo, San Mateo,  
20 Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus,  
21 Sutter, Trinity, Tulare, Tuolumne, Yolo, and Yuba as a result of  
22 the severe rainstorms, related flooding and slides, and any other  
23 related casualties, that occurred in December 2005, January 2006,  
24 March 2006, or April 2006.

25 (28) Any loss sustained in the County of San Bernardino as a  
26 result of the wildfires that occurred in July 2006.

27 (29) Any loss sustained in the Counties of Riverside and Ventura  
28 as a result of wildfires that occurred during the 2006 calendar year.

29 (30) Any loss sustained in the Counties of El Dorado, Fresno,  
30 Imperial, Kern, Kings, Madera, Merced, Monterey, Riverside, San  
31 Bernardino, San Diego, San Luis Obispo, Santa Barbara, Santa  
32 Clara, Stanislaus, Tulare, Ventura, and Yuba that were the subject  
33 of the Governor's proclamations of a state of emergency for the  
34 severe freezing conditions that occurred in January 2007.

35 (31) Any loss sustained in the County of El Dorado as a result  
36 of wildfires that occurred in June 2007.

37 (32) Any loss sustained in the Counties of Santa Barbara and  
38 Ventura as a result of the Zaca Fire that occurred during the 2007  
39 calendar year.

1 (33) Any loss sustained in the County of Inyo as a result of  
2 wildfires that commenced in July 2007.

3 (34) Any loss sustained in the Counties of Los Angeles, Orange,  
4 Riverside, San Bernardino, San Diego, Santa Barbara, and Ventura  
5 as a result of wildfires that occurred during the 2007 calendar year  
6 that were the subject of the Governor's disaster proclamations of  
7 September 15, 2007, and October 21, 2007.

8 (35) Any loss sustained in the County of Riverside as a result  
9 of extremely strong and damaging winds that occurred in October  
10 2007.

11 (36) Any loss sustained in the Counties of Butte, Kern,  
12 Mariposa, Mendocino, Monterey, Plumas, Santa Clara, Santa Cruz,  
13 Shasta, and Trinity as a result of wildfires that occurred in May or  
14 June 2008 that were the subject of the Governor's proclamations  
15 of a state of emergency.

16 (37) Any loss sustained in the County of Santa Barbara as a  
17 result of wildfires that occurred in July 2008.

18 (38) Any loss sustained in the County of Inyo as a result of the  
19 severe rainstorms, related flooding and landslides, and any other  
20 related casualties, that occurred in July 2008.

21 (39) Any loss sustained in the County of Humboldt as a result  
22 of wildfires that commenced in May 2008.

23 (40) *Any loss sustained in the County of Santa Barbara as a*  
24 *result of wildfires that commenced in November 2008.*

25 (41) *Any loss sustained in the Counties of Los Angeles and*  
26 *Ventura as a result of wildfires that commenced in October 2008*  
27 *or November 2008 that were the subject of the Governor's*  
28 *proclamations of a state of emergency.*

29 (42) *Any loss sustained in the Counties of Orange, Riverside,*  
30 *and San Bernardino as a result of wildfires that commenced in*  
31 *November 2008.*

32 (43) *Any loss sustained in the County of Santa Barbara as a*  
33 *result of wildfires that commenced in May 2009.*

34 (b) (1) In the case of any loss allowed under Section 165 of the  
35 Internal Revenue Code, relating to losses, any excess disaster loss  
36 shall be carried forward to each of the five taxable years following  
37 the taxable year for which the loss is claimed. However, if there  
38 is any excess disaster loss remaining after the five-year period,  
39 then the applicable percentage, as set forth in paragraph (1) of

1 subdivision (b) of Section 24416, of that excess disaster loss shall  
2 be carried forward to each of the next 10 taxable years.

3 (2) The entire amount of any excess disaster loss as defined in  
4 subdivision (c) shall be carried to the earliest of the taxable years  
5 to which, by reason of subdivision (b), the loss may be carried.  
6 The portion of the loss which shall be carried to each of the other  
7 taxable years shall be the excess, if any, of the amount of excess  
8 disaster loss over the sum of the net income for each of the prior  
9 taxable years to which that excess disaster loss is carried.

10 (c) "Excess disaster loss" means a disaster loss computed  
11 pursuant to Section 165 of the Internal Revenue Code, which  
12 exceeds the net income of the year of loss or, if the election under  
13 Section 165(i) of the Internal Revenue Code is made, the net  
14 income of the year preceding the loss.

15 (d) The provisions of this section and Section 165(i) of the  
16 Internal Revenue Code shall be applicable to any of the losses  
17 listed in subdivision (a) sustained in any county or city in this state  
18 which was proclaimed by the Governor to be in a state of disaster.

19 (e) Any corporation subject to the provisions of Section 25101  
20 or 25101.15 that has disaster losses pursuant to this section, shall  
21 determine the excess disaster loss to be carried to other taxable  
22 years under the principles specified in Section 25108 relating to  
23 net operating losses.

24 (f) Losses allowable under this section may not be taken into  
25 account in computing a net operating loss deduction under Section  
26 172 of the Internal Revenue Code.

27 (g) For losses described in paragraphs (15) to ~~(39)~~ (43),  
28 inclusive, of subdivision (a), the election under Section 165(i) of  
29 the Internal Revenue Code may be made on a return or amended  
30 return filed on or before the due date of the return (determined  
31 with regard to extension) for the taxable year in which the disaster  
32 occurred.

33 *SEC. 4. It is the intent of the Legislature to provide in the*  
34 *annual Budget Act those additional reimbursements to local*  
35 *governments that, as a result of Section 1 of this act, are required*  
36 *by Section 25 of Article XIII of the California Constitution.*

37 *SEC. 5. The Legislature finds and declares that this act fulfills*  
38 *a statewide public purpose because of all of the following:*

39 (a) *The Governor of California has officially proclaimed a state*  
40 *of emergency declaring that the wildfires that occurred within the*

1 *Counties of Los Angeles and Ventura, commencing in October*  
2 *2008 or November 2008, constitute conditions of extreme peril to*  
3 *public health and safety to persons and property within those*  
4 *counties, thus qualifying affected persons for various forms of*  
5 *governmental assistance and relief.*

6 *(b) The Governor of California has officially proclaimed a state*  
7 *of emergency declaring that the wildfires that occurred within the*  
8 *Counties of Orange, Riverside, and San Bernardino, commencing*  
9 *in November 2008, constitute conditions of extreme peril to public*  
10 *health and safety to persons and property within those counties,*  
11 *thus qualifying affected persons for various forms of governmental*  
12 *assistance and relief.*

13 *(c) The Governor of California has officially proclaimed a state*  
14 *of emergency declaring that the wildfires that occurred within the*  
15 *County of Santa Barbara, commencing in November 2008 or May*  
16 *2009, constitute conditions of extreme peril to public health and*  
17 *safety to persons and property within that county, thus qualifying*  
18 *affected persons for various forms of governmental assistance and*  
19 *relief.*

20 *(d) This act is consistent with, and supplements, the proclaimed*  
21 *disaster assistance and relief by providing necessary fiscal*  
22 *assistance and tax relief to affected jurisdictions and persons to*  
23 *allow them to maintain essential basic services and repair damage*  
24 *to, and restore, their homes and businesses.*

25 *SEC. 6. If the Commission on State Mandates determines that*  
26 *this act contains costs mandated by the state, reimbursement to*  
27 *local agencies and school districts for those costs shall be made*  
28 *pursuant to Part 7 (commencing with Section 17500) of Division*  
29 *4 of Title 2 of the Government Code.*

30 *SEC. 7. This act provides for a tax levy within the meaning of*  
31 *Article IV of the Constitution and shall go into immediate effect.*

32 ~~SECTION 1. Section 14124.11 of the Welfare and Institutions~~  
33 ~~Code is amended to read:~~

34 ~~14124.11. (a) The department shall establish a program to~~  
35 ~~utilize the federal Public Assistance Reporting Information System~~  
36 ~~(PARIS) to identify veterans and their dependents or survivors~~  
37 ~~who are enrolled in the Medi-Cal program and assist them in~~  
38 ~~obtaining federal veteran health care benefits.~~

39 ~~(b) Under the program, the department shall exchange~~  
40 ~~information with PARIS and identify veterans and their dependents~~

1 or survivors who are receiving Medi-Cal benefits in the program  
2 counties:

3 (e) ~~The department shall refer identified Medi-Cal beneficiaries~~  
4 ~~who are receiving high-cost services, including long-term care, to~~  
5 ~~county veteran service officers (CVSOs) to obtain information~~  
6 ~~regarding, and assistance in obtaining, USDVA benefits.~~

7 (d) ~~Prior to commencement of the program, the department shall~~  
8 ~~do all of the following:~~

9 (1) ~~Enter into an agreement with the California Department of~~  
10 ~~Veterans Affairs (CDVA) to perform CVSO outreach services in~~  
11 ~~connection with the program. The CDVA agreement shall contain~~  
12 ~~performance standards that would allow the department to measure~~  
13 ~~the effectiveness of the program.~~

14 (2) ~~Enter into any agreements that are required by the federal~~  
15 ~~government to utilize the PARIS system.~~

16 (3) ~~Perform any information technology activities that are~~  
17 ~~necessary to utilize the PARIS system.~~

18 (e) ~~The department shall monitor the program, evaluate the~~  
19 ~~outcomes and savings, and provide the fiscal committees of the~~  
20 ~~Legislature with a report on the findings and recommendations.~~

21 (f) ~~Notwithstanding Chapter 3.5 (commencing with Section~~  
22 ~~11340) of Part 1 of Division 3 of Title 2 of the Government Code,~~  
23 ~~the department may implement, interpret, or make specific, this~~  
24 ~~section by means of written directives without taking further~~  
25 ~~regulatory action.~~

26 (g) ~~The department shall implement the program by July 1,~~  
27 ~~2010.~~

28 (h) ~~In order to achieve maximum cost savings the Legislature~~  
29 ~~hereby determines that an expedited contract process for contracts~~  
30 ~~under this section is necessary. Therefore, contracts under this~~  
31 ~~section shall be exempt from the Public Contract Code and from~~  
32 ~~Chapter 3 (commencing with Section 11250) of Part 1 of Division~~  
33 ~~3 of Title 2 of the Government Code.~~

34 SEC. 2. ~~If the Commission on State Mandates determines that~~  
35 ~~this act contains costs mandated by the state, reimbursement to~~  
36 ~~local agencies and school districts for those costs shall be made~~  
37 ~~pursuant to Part 7 (commencing with Section 17500) of Division~~  
38 ~~4 of Title 2 of the Government Code.~~